

A8055-3F

4/8

AMERICA'S

BOATING

NMMA
BOATING
INDUSTRY
REPORT

BUSINESS

BEST AVAILABLE COPY

"BOATING... REALITIES AND MYTHS"

Mention boating at social gatherings and it's likely that one-third of the people present will be able to relate a sea story. That's because 70 million or so Americans participate in recreational boating annually. These millions are extremely varied in their daily work and personal lives, but they are motivated by a common denominator: the desire to be on-water. For many, the boating activity revolves around fishing. For others the boat provides a getaway or a vehicle for waterskiing, cruising, sunning, diving. Some just enjoy socializing with boat tied to the dock. Reduced to the basics, boating is fun.

The purpose of this brochure, however, is to sketch a much different view of boating...a behind-the-scenes view if you will. While most people understand what boating is, they don't realize what stands behind it: an industry of boat builders and accessory suppliers, retail dealers, service technicians, marina operators. In all, the boating industry employs 600,000 Americans. Total annual retail sales of boats and related products and services are approaching the \$15 billion level. And the impact of these sales and those pursuing the boating lifestyle are felt beyond the recreational marine industry itself.

For example, when a new marina is built, it means much more than a certain number of places where owners can moor their craft. Studies show such installations have revitalized certain urban and non-urban

areas, pumped new spending into local businesses, and spruced up decaying waterfronts. Companies that produce boats and related products and the people that work in them are good neighbors, too. Manufacturing facilities are clean and can be located almost anywhere. In some American communities, boat builders are the largest employers.

In the following pages, we present industry facts for those curious about marine from a commercial or financial aspect, for representatives of boating constituencies, and for boat people interested in an overall view of their recreation of choice.



"BOATING... A LIFESTYLE FOR MILLIONS OF AMERICANS"

Close to 70 million Americans go boating each year in an armada of more than 14 million boats—from humble prams and fishing boats to ocean-going trimarans and megayachts. These participants are not easily button-holed into neat demographic groups of rich or poor, white or blue collar, etc. But they are motivated by some primordial urge to be on or near water, with or without fishing pole in hand, curious or not to navigate the next turn in the river.

Although the heaviest concentration of boating participants coincides with major population areas, people go boating everywhere in the nation. The sole requirement is that there is enough water to float. As a result, observers will find shells

and canoes on rivers and bays adjacent to metropolitan areas, but they will also see motoryachts on land-locked lakes perhaps large enough for only an hour's cruise. Non-boaters are likely to focus the recreation only on marinas or vacation lakes. In reality, the vast majority of boats are stored in garages or side yards and then trailered to the put-in of choice.



The recreational boating consumer is subject to a fair amount of misunderstanding by marketers and the media as well. The typical boater is a married homeowner between the age of 35-44 with a median income in the lower or mid \$30,000s and who goes fishing frequently. The boat in question costs between \$7,000 and \$15,000 with the latter having a small cabin, bunks and kitchen facilities. In most boating families both husband and wife work which helps buy and maintain the boat. But it's also true that most buyers finance their purchase to reduce the total price to an affordable monthly installment payment. Until the late 1970s, boating finance firms were difficult to find. Today, consumer loans for marine purchases are commonly found at numerous banks, savings institutions and credit unions. As a result, an estimated 80 percent of boat buyers choose financing over cash buys.

The image of boating as the exclusive playground for the rich is grossly erroneous. There are, of course, megayachts built and sold, and this is an important sector of the American boating industry. But, only two percent of all boats out there fit into the high-ticket category. Outboard family runabouts and small cruisers make up almost 50 percent of total unit sales, followed by inboard/outdrive (or sterndrive) at 20 percent, other small fishing, sail and specialty craft at 13 percent, canoes at 11 percent, sailboats at eight percent, inboard cruisers at two percent and inboard runabouts at one percent. Most recent statistics show that 79 percent of all boats sold in the U.S. were small motorboats, sailboats, canoes and other small craft.

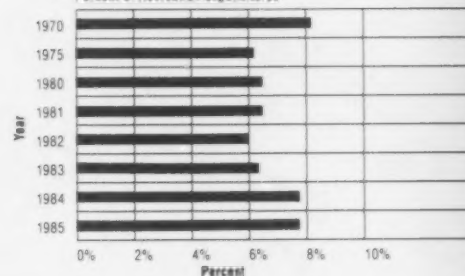
It's likely boating will remain a preferred form of recreation for American outdoorspeople in the years ahead. More leisure time, more discretionary income, additional family formation, continuing waterfront development including marina construction, and better utilization of recreation space and destinations all point to continued growth of this water lifestyle.

STATE DISTRIBUTION OF 1985 BOATING PARTICIPANTS (In Thousands)

State	Total Population 12/31/85	Outboard	Inboard & I/O	BOATING PARTICIPANTS				Total	Percent of State Population
	Canoeing			Sailing	Water Skiing	Other			
NEW ENGLAND									
Connecticut	3,176	211	104	147	161	72	175	870	27.39
Maine	1,175	125	14	127	29	21	80	396	33.66
Massachusetts	5,847	480	177	279	296	231	368	1,831	31.32
New Hampshire	1,001	98	69	122	46	80	104	519	51.90
Rhode Island	970	110	33	28	80	70	81	402	41.42
Vermont	538	61	28	96	30	0	54	269	50.02
Total	12,707	1,085	425	799	642	474	862	4,287	33.74%
MIDDLE ATLANTIC									
New Jersey	7,619	446	148	239	176	429	362	1,800	23.63
New York	17,966	1,244	547	639	509	588	888	4,415	24.57
Pennsylvania	12,012	997	201	437	172	262	521	2,590	21.56
Total	37,597	2,687	896	1,315	857	1,279	1,771	8,805	23.42%
EAST NORTH CENTRAL									
Illinois	11,640	959	449	461	142	493	630	3,134	26.93
Indiana	5,586	623	239	113	72	431	372	1,850	33.12
Michigan	9,212	1,145	427	601	204	659	764	3,800	41.25
Ohio	10,836	859	470	494	187	530	639	3,179	29.34
Wisconsin	4,818	741	185	323	60	275	399	1,983	41.15
Total	42,092	4,327	1,770	1,992	665	2,388	2,885	13,947	33.13%
WEST NORTH CENTRAL									
Iowa	2,943	268	105	70	0	208	164	815	27.69
Kansas	2,471	243	50	42	18	96	113	562	22.75
Minnesota	4,224	994	158	503	98	361	532	2,646	62.65
Missouri	5,094	525	138	232	29	269	300	1,493	29.32
Nebraska	1,622	123	82	65	6	82	90	448	27.63
North Dakota	700	49	30	7	0	49	34	169	24.14
South Dakota	719	49	6	0	5	36	24	120	16.71
Total	17,773	2,251	589	919	156	1,181	1,258	6,254	35.19%
SOUTH ATLANTIC									
Delaware	621	75	0	12	13	0	25	125	20.16
Dist. of Columbia	621	3	0	11	7	0	5	26	4.23
Florida	11,435	1,099	403	397	214	395	631	3,139	27.45
Georgia	5,991	653	181	113	101	448	377	1,873	31.26
Maryland	4,436	311	110	130	127	67	188	933	21.02
North Carolina	6,305	417	154	105	104	393	295	1,468	23.29
South Carolina	3,396	465	82	43	86	212	224	1,112	32.73
Virginia	5,785	373	164	128	100	275	262	1,302	22.50
West Virginia	1,968	97	85	61	3	131	95	472	23.98
Total	40,558	3,493	1,179	1,008	755	1,921	2,102	10,450	25.76%
EAST SOUTH CENTRAL									
Alabama	4,080	396	114	65	38	335	239	1,187	29.09
Kentucky	3,786	454	116	42	13	214	211	1,050	27.74
Mississippi	2,647	237	33	147	27	171	155	770	29.08
Tennessee	4,793	442	74	98	24	204	212	1,054	21.99
Total	15,306	1,529	337	352	102	924	817	4,061	26.53%
WEST SOUTH CENTRAL									
Arkansas	2,402	410	73	66	30	107	173	859	35.75
Louisiana	4,533	517	150	31	48	205	239	1,190	26.26
Oklahoma	3,356	295	115	127	29	278	212	1,056	31.48
Texas	16,409	1,582	410	256	307	998	895	4,448	27.10
Total	26,700	2,804	748	480	414	1,588	1,519	7,553	28.29%
MOUNTAIN									
Arizona	3,252	151	100	66	87	180	147	731	22.48
Colorado	3,270	197	31	52	19	221	131	651	19.91
Idaho	1,030	205	131	48	50	79	129	642	62.35
Montana	837	173	38	59	19	22	78	389	46.51
Nevada	941	67	28	20	6	66	47	234	24.88
New Mexico	1,476	137	22	14	0	21	49	243	16.45
Utah	1,699	235	116	138	58	117	167	831	48.92
Wyoming	516	24	3	17	3	88	34	169	32.75
Total	13,021	1,189	469	414	242	794	782	3,890	29.88%
PACIFIC									
California	26,345	1,633	905	339	700	1,544	1,302	6,473	24.57
Oregon	2,709	283	84	67	61	284	196	975	36.00
Washington	4,417	455	193	185	111	259	303	1,506	34.09
Total	33,471	2,421	1,182	591	872	2,087	1,801	8,954	26.75%
TOTAL	230,225	21,786	7,575	7,862	4,705	12,556	13,717	68,201	29.51%

BOATING EXPENDITURES

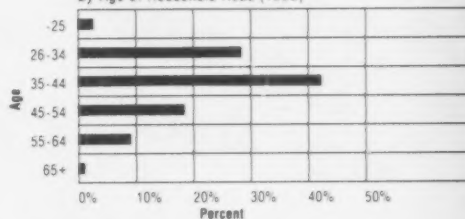
Percent of Recreation Expenditures



Source: Statistical Abstract
NMMA

BOATING EXPENDITURES

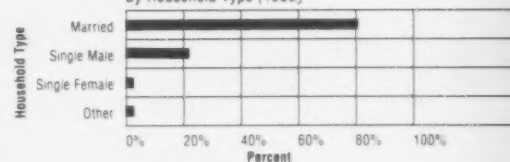
By Age of Household Head (1985)



Source: The Conference Board

BOATING EXPENDITURES

By Household Type (1985)



Source: The Conference Board



REGISTRATION REQUIREMENTS AND STATE TOTALS OF REGISTERED CRAFT*

STATES	BOATS REQUIRED TO BE REGISTERED	1986	RANK IN U.S.
1 ALABAMA	All motorboats, sailboats and rental boats	240,000	15
2 ALASKA	All motorboats used on U.S. waters	29,134	46
3 ARIZONA	All watercraft	108,166	31
4 ARKANSAS	All motorboats	343,851	9
5 CALIFORNIA	All motorboats and sailboats over 8 ft.	679,880	2
6 COLORADO	All motorboats and sailboats	73,992	34
7 CONNECTICUT	All motorboats and sailboats over 19.5 ft.	81,485	33
8 DELAWARE	All motorboats	42,831	39
9 DISTRICT OF COLUMBIA	All watercraft	3,242	52
10 FLORIDA	All motorboats	613,532	4
11 GEORGIA	All motorboats and sailboats 12 ft. and over	248,479	14
12 HAWAII	All motorboats and sailboats over 8 ft.	14,052	50
13 IDAHO	All motorboats	70,512	35
14 ILLINOIS	All motorboats and sailboats over 12 ft.	287,586	11
15 INDIANA	All motorboats	203,275	20
16 IOWA	All watercraft	151,066	23
17 KANSAS	All motorboats and sailboats	86,631	32
18 KENTUCKY	All motorboats	119,587	29
19 LOUISIANA	All motorboats	309,447	10
20 MAINE	All motorboats	115,440	30
21 MARYLAND	All motorboats	150,858	24
22 MASSACHUSETTS	All motorboats	210,407	18
23 MICHIGAN	All motorboats, sailboats 12 ft. and over	716,441	1
24 MINNESOTA	All watercraft	655,389	3
25 MISSISSIPPI	All motorboats	130,573	28
26 MISSOURI	All motorboats and sailboats over 12 ft.	254,166	12
27 MONTANA	All motorboats	35,398	42
28 NEBRASKA	All motorboats	52,749	36
29 NEVADA	All motorboats	35,033	43
30 NEW HAMPSHIRE	All motorboats used on U.S. waters	9,597	51
31 NEW JERSEY	All watercraft	141,655	27
32 NEW MEXICO	All motorboats and sailboats	31,220	45
33 NEW YORK	All motorboats	358,400	8
34 NORTH CAROLINA	All motorboats and sailboats over 14 ft.	229,758	17
35 NORTH DAKOTA	All motorboats	41,098	40
36 OHIO	All watercraft	361,883	7
37 OKLAHOMA	All watercraft	191,103	21
38 OREGON	All motorboats and sailboats 12 ft. and over	149,970	25
39 PENNSYLVANIA	All motorboats	236,455	16
40 RHODE ISLAND	All motorboats	28,000	47
41 SOUTH CAROLINA	All motorboats	249,113	13
42 SOUTH DAKOTA	All motorboats, vessels over 12 ft.	36,396	41
43 TENNESSEE	All motorboats and sailboats	207,409	19
44 TEXAS	All motorboats	605,829	5
45 UTAH	All motorboats and sailboats	50,483	37
46 VERMONT	All motorboats	32,580	44
47 VIRGINIA	All motorboats	165,818	22
48 WASHINGTON	All motorboats 16 ft. and over	142,011	26
49 WEST VIRGINIA	All motorboats	43,194	38
50 WISCONSIN	All motorboats and sailboats 12 ft. and over	452,481	6
51 WYOMING	All motorboats	21,000	49
52 AMERICAN SAMOA	All motorboats	142	56
53 GUAM	All motorboats	720	54
54 N. MARIANAS	All motorboats	640	55
55 PUERTO RICO	All motorboats	23,026	48
56 VIRGIN ISLANDS	All motorboats	2,884	53
TOTAL		9,875,197	

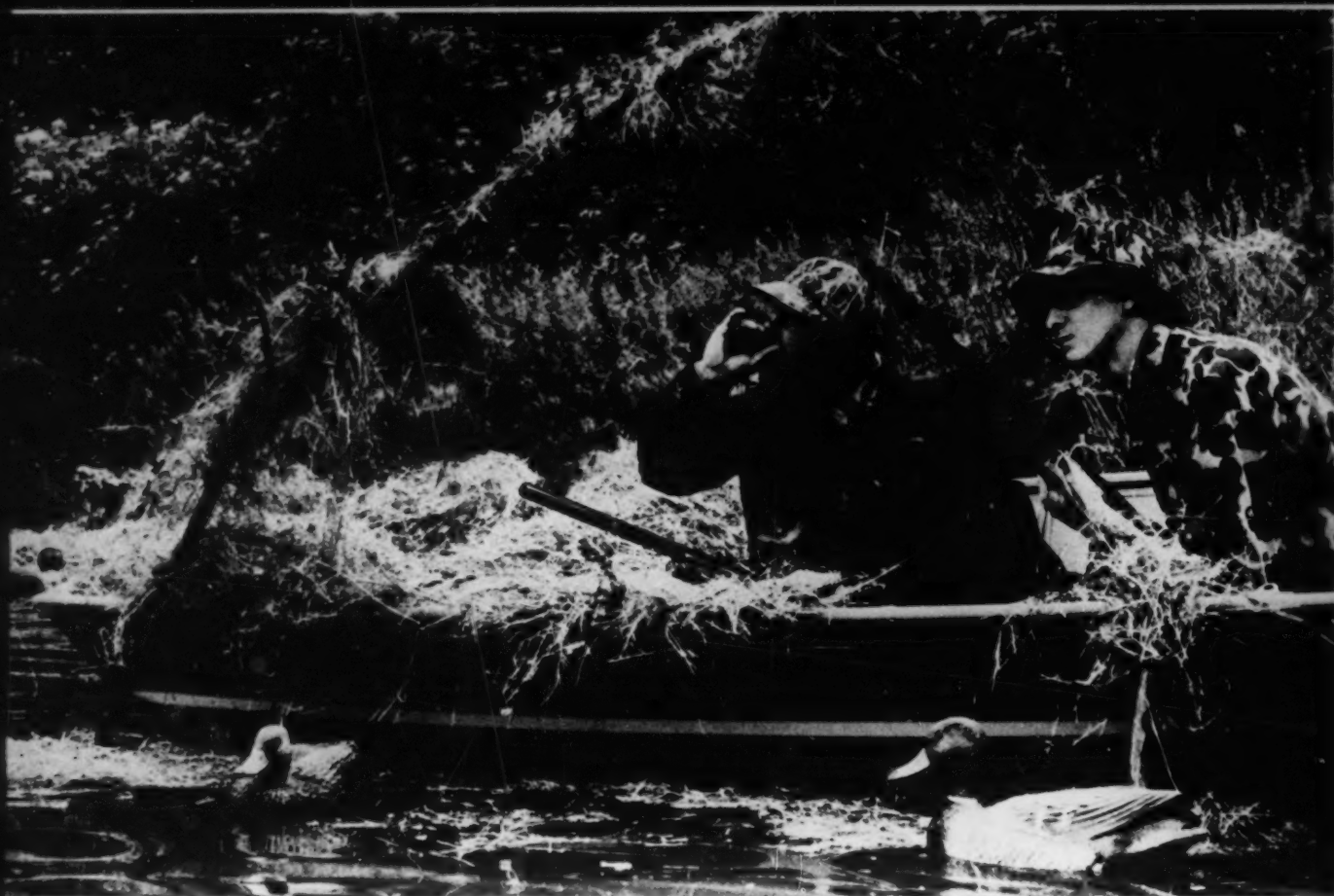
*Registration figures are provided by The U.S. Coast Guard.



Thunderbird Products



Wetjet International



"BOATING... A MAJOR RECREATION INDUSTRY"

With annual retail sails approaching the \$15 billion mark, the recreational boating market ranks as the fourth largest leisure industry in the U.S. In their free-time pursuit, Americans spend more only on radio and television, toys and sports supplies, and on commercial amusements including bowling, sightseeing and fees for amusement parks, golf, etc. Compared to boating, people spend less on spectator sports, magazines and books, movies and gardening.

Considered a "hot sector" on Wall Street, the leisure business is seeing significant growth through mushrooming participation. Boating keeps pace there, too. Latest statistics show total new boating-related participants number close to 10 million annually, eclipsing such new participants in general exercise (8 million) and bicycling (6 million).

The industry supplying the boat buyer is comprised of thousands of mostly small businesses located in every state. Across the U.S., there are some 17,000 boating retailers, 9,000 marinas, 3,000 boat makers (of which 350 would be considered major "production" builders), 2,000 accessory/trailer/service providers and 56 marine engine manufacturers. In a given year, tradesmen sell an estimated new 660,000 boats, 194,000 boat trailers, 410,000 outboard motors and 162,000 sterndrive and inboard engines. They will also resell used boats and maintain and service a total of more than 14 million boats which comprise the nation's recreational boating fleet.

Fiberglass is the material of choice for boat construction, followed by aluminum,

although small numbers of steel and wooden craft are still produced. Primary raw material suppliers to the boating industry provide resins, glass fiber and plastics, aluminum sheet, steel sheet and tubing (for trailers), and wood for structural components and finishing touches. Detroit automakers supply engine blocks for many of the inboard and sterndrive powerplants produced. Other major suppliers to the industry are similar to those of autobuilding: vinyls, carpeting, instrumentation, tires, wiring, etc. But outboard motor manufacturing remains a unique activity where literally all components are specially made and assembled with little outside sourcing.

Marine divisions have also been established by those allied to boating. For example, there are some two hundred boating magazines published to serve the recreational market place. An estimated 2,700 financial institutions have established marine lending departments. Specialized boat insurance policies have been written by major insurers and are marketed through regular and exclusive marine agents. Several major oil companies have invested in the operation of marine fuel installations with adjacent full scale marinas.

Boating businesses are concentrated in certain areas, including the Coasts, Great Lakes and on major navigable waterways. But it's also typical to find a small prairie manufacturer of agricultural products with a marine line, or a highway boat dealer on a main route to a good bass lake. As a result, the boating business sees the involvement of both the largest and smallest of firms.



U.S. EXPORT-IMPORT OF PLEASURE BOATS

Dollar Volume

1983

Exports — \$ 71,537,000
Imports — \$199,359,000



1984

Exports — \$ 65,249,000
Imports — \$283,519,000



1985

Exports — \$ 60,596,000
Imports — \$350,485,000



King Fisher Boats

THE BOATING MARKET

	1984	1985	1986
Outboard Boats:			
Total Units Sold	317,000	305,000	314,000
Retail Value	\$708,178,000	\$759,450,000	\$834,600,000
Average Unit Cost	\$2,234	\$2,490	\$2,658
Inboard Boats — Runabouts:			
Total Units Sold	4,500	4,500	5,300
Retail Value	\$60,156,000	\$68,256,000	\$85,473,000
Average Unit Cost	\$13,368	\$15,168	\$16,127
Inboard Boats — Cruisers:			
Total Units Sold	10,780	12,200	12,700
Retail Value	\$1,138,907,000	\$1,340,780,000	\$1,421,130,000
Average Unit Cost	\$105,650	\$109,900	\$111,900
Inboard Outdrive Boats:			
Total Units Sold	108,000	115,000	120,000
Retail Value	\$1,442,016,000	\$1,663,360,000	\$1,860,960,000
Average Unit Cost	\$13,352	\$14,464	\$15,508
Sailboats Non-Powered:			
Total Units Sold	36,600	34,000	33,300
Retail Value	\$118,108,000	\$115,430,000	\$88,415,000
Average Unit Cost	\$3,227	\$3,395	\$2,655
Sailboats Aux-Powered:			
(30 ft. & Under)			
Total Units Sold	1,100	1,100	1,100
Retail Value	\$33,827,000	\$37,335,000	\$40,651,000
Average Unit Cost	\$30,752	\$33,941	\$36,956
Sailboats Aux-Powered:			
(30 ft. & Over)			
Total Units Sold	3,050	2,700	2,800
Retail Value	\$241,377,000	\$217,620,000	\$236,880,000
Average Unit Cost	\$79,140	\$80,600	\$84,600
Canoes:			
Total Units Sold	103,000	78,800	80,200
Retail Value	\$43,775,000	\$34,987,000	\$37,133,000
Average Unit Cost	\$425	\$444	\$463
Inflatable — Supported Craft:			
Total Units Sold	30,700	33,500	30,600
Retail Value	\$33,924,000	\$33,165,000	\$33,385,000
Average Unit Cost	\$1,105	\$990	\$1,091
Outboard Motors:			
Total Units Sold	411,000	392,000	410,000
Retail Value	\$1,293,828,000	\$1,319,080,000	\$1,463,700,000
Average Unit Cost	\$3,148	\$3,365	\$3,570
Boat Trailers:			
Total Units Sold	200,000	192,000	194,000
Retail Value	\$146,800,000	\$151,680,000	\$165,676,000
Average Unit Cost	\$734	\$790	\$854

ANNUAL RETAIL UNIT ESTIMATES

Calendar Year	Outboard Boats Sold	Inboard Boats Sold	Inboard/Outdrive Boats Sold	Non-Powered Sailboats Sold	Auxiliary Sailboats Sold	Canoes Sold	Inflatable Boats Sold	Sailboats Sold	Total All Boats	Boat Trailers Sold	Outboard Motors Sold	I/O And Inboard Engines Sold
1967	260,000	36,000	36,000	26,000*		90,000			448,000	160,000	444,000	92,000
1968	283,000	35,000	42,000	27,300*		92,000			478,300	200,000	500,000	80,000
1969	310,000	31,500	49,000	45,000*		42,000			477,500	235,000	510,000	92,000
1970	276,000	26,500	43,000	51,000*		40,000			436,500	213,000	430,000	86,000
1971	278,000	22,500	44,000	59,000*		44,000			447,500	220,000	495,000	88,000
1972	375,000	23,000	63,000	114,000*		56,000			631,000	265,000	535,000	109,000
1973	448,000	12,000	78,000	120,000*		68,000			726,000	330,000	585,000	113,000
1974	425,000	11,000	70,000	140,000	3,000	80,000			729,000	325,000	545,000	105,000
1975	328,000	10,200	70,000	105,000	2,850	76,000			592,050	255,000	435,000	103,000
1976	341,000	11,000	80,000	86,000	2,900	77,000			597,900	285,000	468,000	117,000
1977	336,000	11,500	84,000	55,000	3,050	82,000			571,550	276,000	462,000	123,000
1978	331,000	12,100	90,000	60,000	3,200	80,000			584,300	280,000	450,000	128,000
1979	322,000	12,600	89,000	67,000	4,900	90,000	16,170	13,000	614,670	276,000	375,000	135,000
1980	290,000	8,200	56,000	69,000	4,100	105,000	16,400	21,000	569,700	176,000	315,000	87,750
1981	281,000	8,400	51,000	73,000	4,100	126,000	20,000	31,000	594,500	190,000	318,000	81,500
1982	236,000	8,325	55,000	50,000	3,400	101,000	18,800	27,000	499,525	160,000	293,000	85,650
1983	273,000	11,385	79,000	40,000	3,740	107,000	23,600	33,000	570,725	184,000	337,000	104,125
1984	317,000	15,280	108,000	36,600	4,150	103,000	30,700	43,000	657,730	200,000	411,000	148,000
1985	305,000	16,700	115,000	34,000	3,800	78,800	33,500	50,000	636,800	192,000	392,000	155,000
1986	314,000	18,000	120,000	33,300	3,900	80,200	30,600	60,000	688,000	194,000	410,000	161,900

* Unit volume includes all types of sailboats

"BOATING... A GOOD NEIGHBOR EVERYWHERE"

Beyond producing jobs at the manufacturing and retailing levels, boating brings additional benefits to communities which serve the boater. On a grand scale, boaters coalesce to form a distinct community, such as California's Marina del Rey. A more austere example would be a local launching ramp catering to fishermen. Large or small, such facilities

serve as a magnet for boaters who bring money and readily spend it. In addition to the obvious sales of fuel, bait, food and refreshments, such spending also enlarges communities' tax collections.

A good example of what boating can mean to a community is seen in Racine, Wisconsin. During the twin recessions of the early 1980's, the city

experienced a severe cutback in jobs because its economy was based largely on manufacturing linked to agriculture and autos. City fathers decided to remedy the situation through diversification, including developing their harbor. With \$71 million earmarked for the harbor, including \$51 million in private funds, they went to work and began building a 1,000-slip marina, waterfront condominiums and a cultural center. Today the marina is full and developers are examining expansion. Economic result: a \$29 million impact and creation of 405 full-time jobs paying at least \$15,000 each, according to a University of Wisconsin study.

A positive economic impact also results from professionally managed boat shows which draw boat shoppers and tradespeople who book hotel rooms, visit local restaurants and other retail stores pumping dollars into local economies. Several hundred such events are held annually in the U.S. with the majority scheduled in the January to March season and also from late August through November. Held at exposition halls in winter

months or in-the-water, consumers endorse the concept of boat shows because they offer the benefits of comparison shopping without sales pressure.

The Northwest Marine Trades Association estimates that each person attending a boat show purchases an average of \$165 worth of goods and services. A recent Seattle Boat Show generated \$20 million in revenue to local businesses, more than \$23,000 went directly to the city in terms of business and occupation taxes while hundreds of thousands of dollars went to the state in sales taxes. In Annapolis, Maryland, an economic impact study conducted by the Maryland Sea Grant Program indicated that the United States Powerboat and Sailboat Shows held in October generated \$16,589,742 in direct expenditures by patrons... \$14,101,280 was spent within the city itself.

Boating facilities and shows aren't the only things that make dollars and sense. Waterfront festivals, regattas, races, fishing derbies and other special events mean jobs, income and tax revenues for towns and cities. At the same time, they show boating and the surrounding community in a favorable light. That often attracts further corporate or private investment.

AMERICAN BOAT SHOWS

ALABAMA

Birmingham Sport
and Boat Show
Birmingham

Gulf Coast Boat,
Sport & Camper Show
Mobile

ARIZONA

Arizona National
Boat Show
Phoenix

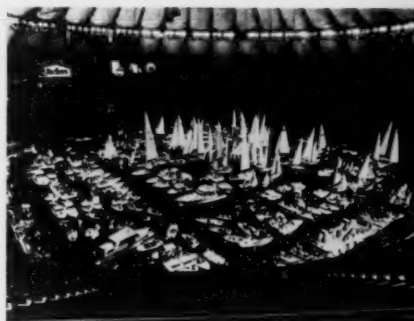
CALIFORNIA

American Boating
Jubilee Long Beach
Anaheim Boat Show
Anaheim

Bay Area Boat Show
Alameda

Southern California Sail & Powerboat
Show
Long Beach

Marina Del Rey In-Water Boat Show
Marina Del Rey



Escape to the Outdoors

AMERICAN BOAT SHOWS (Cont.)

Newport In-The-Water
Powerboat Show
Newport

Newport In-The-Water Sailboat Show
Newport

Newport In-The-Water Sail and Power
Boat Show
Newport

International Boat Show
San Francisco

Sacramento California Boat Show
Sacramento

San Diego Bay In-The-Water Power and
Sail Boat Show
Chula Vista

San Francisco Bay In-The-Water New
Boat Show
Alameda Island

San Francisco Sports and Boat Show
San Francisco

SCMA Spring Boat Show
Pomona

Southern California Boat Show
Los Angeles

COLORADO
Colorado Sports, Boat & Travel Show
Denver

RV, Sail and Power Boat Show
Denver

CONNECTICUT
CMTA Boat Show
Hartford

CMTA Fishing Expo
Hartford

CMTA Used Boat Show and End of Year
Clearance
Clinton

North Atlantic Sailboat Show
Stamford

Norwalk International In-Water Powerboat
Show
Norwalk

DIST. OF COLUMBIA
Washington Boat Show
Washington, D.C.

FLORIDA
Bass'n Bonanza
West Palm Beach
Boat-A-Rama
Jacksonville

Central Florida Boat Show
Orlando

Fort Lauderdale International Boat Show
Fort Lauderdale

Fort Lauderdale Spring Boat and Sport
Show
Fort Lauderdale

Fort Walton Beach Boat Show
Fort Walton Beach

Metropolitan Part In-Water Boat Show
Jacksonville

Miami Dinner Key Boat Show
Miami

Miami International Boat Show
Miami Beach

Miami International Sailboat Show
Miami Beach

Miami's Summer Boat Show
Miami

Miami's Fall Boat Show
Miami Beach

Palm Beach County Boat Show
West Palm Beach

Palm Beach International Boat Show
Palm Beach

Southeastern Marine Trades Exhibit and
Conference
Orlando
(TRADE ONLY)

Southwest Florida Marine Trades
Boat Show
Fort Myers

St. Petersburg Boat Show
St. Petersburg

Stuart Boat Show
Stuart

Summer Dinner Key Boat Show
Miami

Suncoast Boat Show
Sarasota

GEORGIA

Atlanta Boat Show
Atlanta

Atlanta International Marine
Trades Exposition
Atlanta
(TRADE ONLY)

ILLINOIS
Chicago Boat, Sports and R.V. Show
Chicago

Chicago International Wooden Boat
Festival and Sailboat Show
Chicago

Chicagoland Sport Fishing, Travel &
Outdoors Show
Rosemont

International Marine Trades Exhibit
& Convention
Chicago
(TRADE ONLY)

Midwest Boat & Resort Show
Rosemont

Quad Cities Sportsmen's Boat, Camping &
Vacation Show
Rock Island

INDIANA
Michigan City In-Water Boat Show
Michigan City

Sports, Vacation, and Boat Show
Fort Wayne

IOWA
Iowa Sports, Boat and Vacation Show
Des Moines

KANSAS
Kansas Sports, Boat and Travel Show
Wichita

KENTUCKY
Louisville Sport Boat and Vacation Show
Louisville

LOUISIANA
New Orleans Boat Show
New Orleans

MAINE
Augusta Boat Show
Augusta

Downeast In-Water Boat Show
South Portland

Maine Boat Show
Portland

MARYLAND
Baltimore In-Water Boat Show
Baltimore

Chesapeake Bay Boat Show
Baltimore

East Coast Commercial Fisherman's
Trade Exposition
Ocean City

United States Powerboat Show
Annapolis

United States Sailboat Show
Annapolis

MASSACHUSETTS

Boston Boat Show
Boston

Boston International Sport Fishing Boat
Show
Boston

Boston In-Water Boat Show
Boston

Fish Expo
Boston

International High Performance
Powerboat Show
Boston

New England Boat Show
Boston

Worcester Boat Show
Worcester

MICHIGAN

Boat Show USA
Mt. Clemens

Detroit Boat and Fishing Show
Detroit

Grand Center Boat Show
Grand Rapids, MI

Grand Center Sport and RV Show
Grand Rapids

Pontiac Silverdome Boat, Sport,
and RV Show
Pontiac

West Michigan In-Water Boat Show
Muskegon

MINNESOTA

The Boat Show
Minneapolis

Minnesota's Sportsman's Boat, Camping
& Vacation Show
St. Paul

Northwest Sportshow
Minneapolis

MISSISSIPPI

Mississippi Coast Boat, Sport and Camper
Show
Biloxi

MISSOURI

Kansas City Sportshow
Kansas City

NEBRASKA

Sioux City Sportsmen's Boat, Camping &
Vacation Show
South Sioux City

NEVADA

Reno Boat, Sport & RV Show
Reno

NEW HAMPSHIRE

New Hampshire Boat Show
Manchester

NEW JERSEY

Atlantic City Boat Show
Atlantic City

Barnegat Bay Boat Show
Seaside Heights

Fall Jersey Coast Boat Show
Asbury Park

Garden State Boat Show
Cherry Hill

Harrah's In-Water Boat Show
Atlantic City

Jersey Coast Boat Show
Asbury Park

NEW YORK

Big Apple Boat Show
Brooklyn

Buffalo Boat Show
Buffalo

Central New York Boat Show
Syracuse

Eastern New York Marine Trades
Association Annual Boat Show
Clifton Park

Greater New York In-Water
Boat Show
Freeport

Long Island Boat Show
Uniondale

Marine Recreation Boat Show
Hauppauge

New York National Boat Show
New York City

Rochester Boat Show
Rochester

Rockland Tri-State Boat Show
Suffern

Thousand Islands Spring Boat Show
Clayton

Western New York Boat Show
Niagara Falls

NORTH CAROLINA

Annual Boat & Fishing Show
Fayetteville

Carolina Power and Sailboat Show
Raleigh

Carolina Sport Fishing Boat Show
Charlotte

Central Carolina Boat Show
Greensboro

Mid-Atlantic Boat Show
Charlotte

NORTH DAKOTA

Grand Forks Sportsmen's Boat, Camping
& Vacation Show
Grand Forks

Red River Valley Sportsmen's Boat,
Camping & Vacation Show
Fargo

OHIO

Cincinnati Travel, Sports & Boat Show
Cincinnati

Columbus International Travel, Sports &
Vacation Show
Columbus

Mid-America Boat Show
Cleveland

North American Sail and Power Show
Sandusky

OKLAHOMA

Greater Tulsa Boat & Recreation Show
Tulsa

Oklahoma City Boat Show
Oklahoma City

Oklahoma Tackle Show
Oklahoma City

Tulsa Boat Sport & Travel Show
Tulsa

Tulsa Trade Show
Tulsa

(TRADE ONLY)

OREGON

Pacific Northwest Sportsmen's Show
Portland

Portland Boat Show
Portland

PENNSYLVANIA

Penn's Landing In-Water Boat Show
Philadelphia

Philadelphia Boat Show
Philadelphia

RHODE ISLAND

Newport International Sailboat Show
Newport

Newport International
Powerboat Show
Newport

North American Small Boat Show
Newport

Rhode Island Boat Show
Providence

The Wooden Boat Show
Newport

SOUTH DAKOTA

Sioux Empire Sportsmen's Boat, Camping
& Vacation Show
Sioux Falls

TENNESSEE

Middle Tennessee Boat Show
Nashville

Mid-South Sport, Boat, Travel and
Vacation Show
Memphis

Nashville Boat & Sport Show
Nashville

TEXAS

Austin Boat, RV and Motorcycle Show
Austin

Dallas Boat Show
Dallas

Dallas Summer Boat Show
Dallas

Dallas Trade Show
Dallas

(TRADE ONLY)

Fort Worth Sports and Vacation Show
Fort Worth

Houston International Boat, Sport &
Travel Show
Houston

Houston International In-Water
Boat Show
Kemah

San Antonio Sport, Boat and
Camper Show
San Antonio

Texas Boat Show
League City

UTAH

Utah Boat, Sports and Travel Show
Salt Lake City

VIRGINIA

Mid-Atlantic Sports and Boat Show
Virginia Beach

Norfolk International In-The-Water Boat
Show
Norfolk

Virginia Boat Show
Richmond

WASHINGTON

Big Tacoma Boat and Sport Fishing Show
Tacoma

Fall Fishing & Winter Sports Show
Tacoma

Fish Expo
Seattle

Pacific Marine Expo
Seattle

Seattle Boats Afloat Show
Seattle

Seattle National Boat Show
Seattle

Tacoma Dome Boat Show
Tacoma

WISCONSIN

Madison Sportsmen's Boat, Vacation &
Travel Show
Madison

Milwaukee Sentinel Sports, Travel and
Boat Show
Milwaukee

"BOATING... MEANS JOBS"

As you've seen in previous pages, jobs in boating can mean a start for high school students as dock hands in marinas, for entrepreneurs at marine dealerships, for breadwinners on assembly lines, and for the regular white collar crew of salesmen, executives and engineers. Total all positions and boating generates 600,000 jobs across the country. On this spread, we showcase the employers by state, what they manufacture and where they sell.



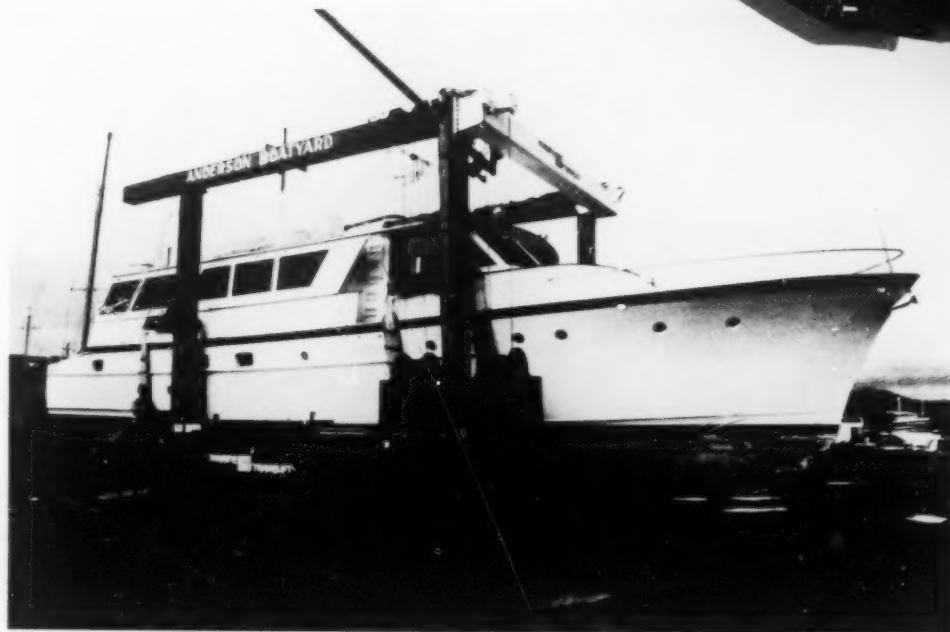
Wellcraft Marine

TOTAL MARINAS 8,733

TOTAL DEALERS 17,793

TOTAL PRODUCTION
BOAT BUILDERS 357

TOTAL TRAILER, ACCESSORY &
ENGINE MANUFACTURERS 1,989



Marine Travelift

BOATING EMPLOYERS IN THE UNITED STATES

STATE	MARINAS	DEALERS	PRODUCTION BOAT BUILDERS	TRAILER, ACCESSORY, & ENGINE MANUFAC.
ALABAMA	82	280	3	10
ALASKA	24	185	0	1
ARIZONA	—	198	3	5
ARKANSAS	—	226	8	7
CALIFORNIA	1,312	1,573	30	234
COLORADO	8	163	1	6
CONNECTICUT	241	319	4	85
DELAWARE	54	55	0	2
DISTRICT OF COLUMBIA	5	9	0	2
FLORIDA	1,266	2,037	79	216
GEORGIA	36	310	4	21
HAWAII	35	64	0	1
IDAHO	16	99	0	1
ILLINOIS	141	744	9	108
INDIANA	10	327	20	47
IOWA	—	225	0	15
KANSAS	14	111	5	11
KENTUCKY	118	167	1	6
LOUISIANA	90	289	2	14
MAINE	198	214	5	18
MARYLAND	—	364	8	45
MASSACHUSETTS	234	424	8	109
MICHIGAN	1,100	766	15	94
MINNESOTA	67	427	10	52
MISSISSIPPI	30	182	2	9
MISSOURI	46	433	6	22
MONTANA	15	92	0	0
NEBRASKA	8	125	1	5
NEVADA	6	84	13	3
NEW HAMPSHIRE	50	156	2	14
NEW JERSEY	354	649	18	112
NEW MEXICO	11	80	0	1
NEW YORK	1,253	1,352	17	143
NORTH CAROLINA	—	442	6	32
NORTH DAKOTA	7	59	0	0
OHIO	99	477	4	125
OKLAHOMA	92	190	0	10
OREGON	113	150	4	10
PENNSYLVANIA	45	405	7	92
RHODE ISLAND	135	124	9	29
SOUTH CAROLINA	131	247	9	17
SOUTH DAKOTA	133	57	0	5
TENNESSEE	78	319	13	21
TEXAS	380	1,001	8	51
UTAH	8	102	2	1
VERMONT	39	62	0	3
VIRGINIA	285	327	3	29
WASHINGTON	294	387	6	77
WEST VIRGINIA	—	53	0	1
WISCONSIN	126	622	10	67
WYOMING	4	40	0	0
TOTAL	8,773	17,793	357	1,989



"BOATING... IT PAYS ITS WAY, PLUS"

In addition to providing products for recreation, encouraging responsible waterfront development, spurring local economies and generating jobs, the boating industry and those who own boats do what all good Americans do: pay taxes. In its most recent survey, the National Marine Manufacturers Association found that boat owners annually paid:

- \$100 million in federal motorboat fuel taxes;
- \$172 million in state sales and use taxes;
- \$83 million in state marine fuel tax;
- \$41.9 million in state boat trailer license fees;
- \$38.5 million in state boat registration fees.

Much of the tax and fee money paid to the states is earmarked for programs which encourage boating safety education and enforcement, enhances access to waterways, or reverts to the general treasuries where it may be used on any state program from building roads to education. All of the federal funds are

currently earmarked for boating safety and facility development and fishing enhancement. Generally speaking, these are well designed programs which make users of specific government services pay for related programs through taxes and fees.

The benefit in having a user of a boat launching ramp make a contribution for its upkeep is that earmarked fees eliminate the need for the general public to pay for his recreation. Such user fee systems also leave more revenue available to legislators who may need it somewhere else.

One of the most successful user-pays user-benefits systems is now in force at the federal level in the form of the Aquatic Resources Trust Fund. It was established by Congress in 1985 through cooperative efforts of the boating and fishing industries with guidance by Senators Malcolm Wallop and John Breaux. Taxes paid on motorboat fuels, fishing equipment and import duties—some \$140 million annually—build the fund. States are apportioned money from the fund, based on boat registrations, which is then targeted for sport fish restoration and boating access and safety programs.

That \$140 million pales in comparison to government programs which regularly spend billions, but it has had a significant effect on fishing and boating programs. Some states use the money for upkeep of existing boating facilities while others build more. In the area of sport fishing, all 50 states are involved using funds for lake construction, fisheries management and research. Such funding may not instantly translate to shorter lines at launching ramps or more fish caught per trip, but such benefits will accrue over the long term.

In sum, the nation's boaters and fishermen are willing to put something back into their respective recreation to better ensure future fun. On top of the other benefits provided, it shows that boating pays its way, plus.



Walker Agency



The Waterfront Center



FEDERAL AID IN SPORT FISH RESTORATION FUNDS

For Fiscal Year 1986

STATE	TOTAL
ALABAMA	\$1,884,620
ALASKA	5,497,965
ARIZONA	2,337,773
ARKANSAS	1,869,512
CALIFORNIA	5,497,965
COLORADO	2,690,494
CONNECTICUT	1,099,593
DELAWARE	1,099,593
FLORIDA	2,416,707
GEORGIA	2,228,012
HAWAII	1,099,593
IDAHO	1,863,348
ILLINOIS	2,422,951
INDIANA	1,906,585
IOWA	1,643,405
KANSAS	1,616,290
KENTUCKY	1,797,518
LOUISIANA	1,798,230
MAINE	1,099,593
MARYLAND	1,099,593
MASSACHUSETTS	1,099,593
MICHIGAN	4,070,093
MINNESOTA	4,149,901
MISSISSIPPI	1,578,260
MISSOURI	2,884,432
MONTANA	2,481,647
NEBRASKA	1,434,018
NEVADA	1,713,753
NEW HAMPSHIRE	1,099,593
NEW JERSEY	1,099,593
NEW MEXICO	1,988,951
NEW YORK	2,670,345
NORTH CAROLINA	1,531,778
NORTH DAKOTA	1,227,394
OHIO	2,724,755
OKLAHOMA	2,163,618
OREGON	2,552,097
PENNSYLVANIA	2,742,303
RHODE ISLAND	1,099,593
SOUTH CAROLINA	1,232,474
SOUTH DAKOTA	1,309,513
TENNESSEE	1,981,093
TEXAS	5,497,965
UTAH	1,848,443
VERMONT	1,099,593
VIRGINIA	1,617,701
WASHINGTON	2,545,887
WEST VIRGINIA	1,099,593
WISCONSIN	3,847,813
WYOMING	1,665,915
PUERTO RICO	1,099,593
GUAM	366,531
VIRGIN ISLANDS	366,531
AMERICAN SAMOA	366,531
MARIANA ISLANDS	366,531
DISTRICT OF COLUMBIA	366,531
TOTAL	\$109,959,380





"BOATING... DOMAIN OF RESPONSIBLE CRAFTSMEN"

Boat building remains a highly labor-intensive craft requiring significant skills. In fact, some of the finest woodworking in the country today can be found in builder's carpentry shops. Marine engine and much accessory manufacturing is more production-line oriented, yet significant in job creation and craftsmanship.

A main reason for the quality and durability of boating products is that they must withstand the tests of harsh marine—particularly saltwater—environments. Chrome and brass platings tend to be heavier. Sensitive electronics are packaged in special housings to withstand wind and spray. Turnings and moldings are finished with three coats of varnish instead of a landlubbers one or two. Hardware, for running sails or steering, is beefed-up, constructed of materials which rival those used in aircraft. The list goes on and on, from the simplest sheer pin to the most sophisticated satellite navigation device.

In some cases, the extra processing, material use or attention to detail does make the final product cost more. More and more, however, efficiencies in volume batching or new production techniques are keeping costs in line. Most experienced boat owners have come to expect the extra degree of quality found in marine products because, quite simply, a failure at sea is an inconvenience at best. An extra measure of care in manufacturing means getting where you want to go conveniently, or getting to shore before the storm when you must.

Boats are most often purchased at local retail establishments which serve as agents or brokers for national and international boat makers and marine engine, trailer and accessory manufacturers. These local experts work to match specific desires of customers with product availabilities. The bulk of sales deliveries are from retailer inventories where it is common for dealers to offer the same boat model in a variety of colors and choice of power and options, much like the automobile business. For more particular skippers, customized craft can be ordered with specific interiors,

electronics and other amenities given lead times ranging from several months to more than one year.

U.S.-produced boating products are among the most sought-after worldwide. Boats made in European nations are highly regarded for their style and careful finishing touches and those imported from the Far East have special value. Because the American boating industry remains a domain of responsible craftsmen, whether they are producing a finished boat, marine engine, or safety vest, it competes effectively and often outperforms in the world boating market.



"BOATING... BUILDING FOR THE FUTURE"

Although the boating business is old-fashioned when it comes to pride of craft and desire for quality, it is progressive technically. Big events, such as the America's Cup competition, bring advances to boat users, such as a plastic film which reduces drag and thus increases speed of sailboats—and airliners. Developments in the space program have filtered down to marine electronics concerns so that the same sophisticated navigational equipment available to astronauts can now be found on board pleasure vessels. Plastics and fibers research has also been incorporated into new boat designs where "Kevlar" hulls reduce weight and thus fuel consumption and "Mylar" reinforcements add strength and thus speed to sails.

In terms of motivation generally, people in focus groups held across the country indicated outdoor recreation was important for five main factors: it provides excitement; allows experiencing self and nature; encourages fitness; allows time with family and friends; and provides a getaway from the confinement of home or apartment. Boating provides some measure of all these. Three-fourths of those who boat or fish do so to be sociable and are more driven by the excitement factors when compared to the population as whole. Sailors seek "risk and danger" more than their peers while canoeists want to "experience nature" more than other adults.

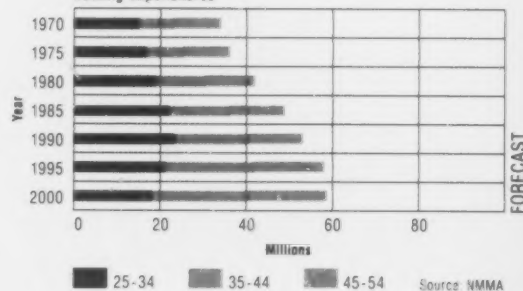


Growth will continue for boating: people wanting to experience it, necessity for facility development, and by the companies serving it. The 14 million boats in use today will grow to 19 million by the year 2000. Potential boat buyers, predominantly male and in the 35-54 year old age category, numbered 47,839,000 in 1985...by the year 2000 there will be 58,446,000 in the same group.

With Americans' desire for outdoor recreation and more time to spend outdoors, a large percentage will continue to turn to boating. The boating industry has prepared for this growth with advancements in production capabilities and techniques. Industry leaders have also placed a high priority on responsible product development to keep boating safety growing hand-in-hand with fun and to encourage thoughtful waterfront development.

POPULATION FORECAST

Boating Expenditures

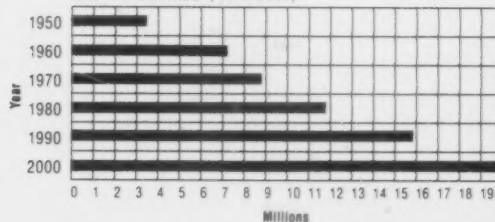


BOATS OWNED

Year	Total U.S. Population (000's)	Participants in Boating (000's)	Number of Boats Owned (000's)
1950	151,320	34,850E	3,510
1960	179,323	40,125	7,175
1970	203,302	44,070	8,814
1980	226,546	60,170	11,832
1990E	249,203	79,390	15,878
2000E	267,461	95,000	19,000

E = Estimated

BOATS OWNED (1950-2000)





POPULATION FORECAST Boating Expenditures

Age Group (Male)	Percent of Boating Expend. (2)	Population (1) (thousands)						
		FORECASTED						
		1970	1975	1980	1985	1990	1995	2000
Population								
25-34	27.5%	12,537	15,635	18,742	21,168	21,892	20,443	18,384
35-44	43.0%	11,322	11,199	12,720	15,703	18,732	20,879	21,866
45-54	17.5%	11,253	11,449	10,996	10,968	12,350	15,327	18,196
TOTAL	88.0%	35,112	38,283	42,458	47,839	52,974	56,649	58,446

1. Statistical Abstract of the United States, 1987

2. The Conference Board — 1985 Expenditures
Source: National Marine Manufacturers Association





"BOATING... AT YOUR SERVICE"

A number of organizations serve the American boating industry, many which can provide additional information about particular market segments. These include, but are not limited to, the following:

National Marine Manufacturers Association

North America's major marine trade group representing 1,300 manufacturers of boats, marine engines, accessories and services. For information on industry statistics, publications, technical services, standards, and international issues, contact 401 N. Michigan Ave., Chicago, IL 60611, 312/836-4747; for federal and state legislative issues contact 2550 M St. NW, #425, Washington, DC 20037, 202/296-4588; for details on NMMA's nine consumer and two trade boat shows, contact 353 Lexington Ave., New York, 10016, 212/684-6622; yacht design curriculum and naval architect degree information is offered by NMMA's Westlawn School of Yacht Design, 733 Summer St., Stamford, CT 06904, 203/359-0500.

American Boat & Yacht Council primary recreational boat standards-making organization. P.O. Box 806, Amityville, NY 11701, 516/598-0550.

American Power Boat Association chief organizer of power boat racing in U.S. P.O. Box 377, East Detroit, MI 48021, 313/773-9700.

American Water Ski Association promotes the sport and sanctions competition. P.O. Box 191, Winter Haven, FL 33882, 813/324-4341.



(Continued on page 20)

Marine Retailers Association of America represents several thousand marine dealer businesses in U.S. 155 N. Michigan Ave., #523, Chicago, IL 60601, 312/938-0359.

National Marine Bankers Association represents premier marine lenders in North America. 401 N. Michigan Ave., #1150, Chicago, IL 60611, 312/836-9070.

National Marine Distributors Association major wholesale marine jobbers are members. 1810 Rittenhouse Sq., #411, Philadelphia 19103, 215/735-3303.

National Marine Electronics Association focuses on technical and product developments of trade membership. 6 Grove St., Suite A, Norwell, MA 02061, 617/878-1723.

National Marine Representatives Association independent marine sales specialists who call on dealers, distributors, OEMs. P.O. Box 957075, Hoffman Estates, IL 60195, 312/213-0606.

U.S. Army Corps of Engineers is starting point for literally all waterfront development projects. HQDA DAEN ECS, Washington 20314, 202/272-0091.

U.S. Coast Guard primary promulgator/enforcer of boating standards and safety programs in U.S. Office of Boating Safety, G-BBC, Washington 20590, 202/267-0972.

U.S. Yacht Racing Union is promoter and organizer of major sail racing events. Box 209, Newport, RI 02840, 401/849-5200.

In addition, a wealth of information about the boating business is contained in the following trade periodicals:

Boat & Motor Dealer 3949 Oakton, Skokie, IL 60076, 312/982-1810.

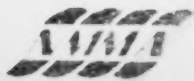
The Boating Industry 850 Third Ave., New York 10022, 212/715-2600.

Marine Industry P.O. Box 2087-CVS, Thousand Oaks, CA 91360, 805/496-1979.

Soundings Trade-Only Pratt St., Essex, CT 06426, 203/767-3200.



BEST AVAILABLE COPY



National Marine Manufacturers Association
1000 Montgomery Avenue
Alexandria, VA 22304-4199
Tel: 703/683-7000